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**Attorney General's Office Joins Nationwide Pharmaceutical Fraud Settlement**  
Multistate Agreement Resolves Allegations of Medicaid Fraud

**Wilmington** – Attorney General Beau Biden announced today that Delaware has joined with all fifty states and the federal government in reaching an agreement with pharmaceutical manufacturer EMD Serono, Inc. that resolves allegations it paid inducements for prescribing its multiple sclerosis drug Rebif.

“All consumers, and especially those facing difficult medical diagnoses, deserve to be treated honestly and fairly,” said Attorney General Biden. “But when a pharmaceutical company takes advantage of Medicaid, they’re not only cheating consumers, but also the government and all of us who pay into the system.”

The investigation concluded that during the period of March 2002 through December 2009, EMD Serono offered and paid compensation to health care professionals for activities such as promotional speaking engagements, attending speaker training, advisory and consultant meetings, educational grants, and charitable contributions. It was alleged that at least one purpose of these payments was to induce those professionals to prescribe Rebif, a drug used to treat relapsing forms of multiple sclerosis. The resulting prescriptions were paid for or reimbursed in part through Medicaid.

Under the terms of the agreement, Delaware will receive \$64,559, including a Medicaid reimbursement of \$25,823 plus investigative costs and other recoveries. The total payment to all parties nationwide is \$44.3 million.

The multistate investigation was initiated when a lawsuit was filed by a whistleblower under the Federal False Claims Act, which allows private individuals to bring lawsuits on behalf of the United States when they have information that fraud has been committed against the government.

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